

COMMONWEALTH OF KENTUCKY
CASE NO: 2024-00313

REPORT OF ACTION
Prepared February 13, 2025

Reference is made to the order entered into on November 26, 2024, which requires the Company to make a report to the Commission within ten days after filing its 10Q or 10K filing with the SEC regarding the issuance of common stock and/or debt securities under the \$8,000,000,000 universal shelf registration.

Atmos Energy Corporation hereby reports:

Atmos Energy Corporation At-The-Market (ATM) Equity Distribution Agreement

On December 3, 2024, Atmos Energy Corporation (“Atmos Energy”) entered into an equity distribution agreement (the “Equity Distribution Agreement”) with the Managers (the “Managers”) and Forward Purchasers (the “Forward Purchasers”) named in Schedule A thereto and with respect to the offering and sale from time to time through the Managers, as Atmos Energy’s sales agents, of shares of Atmos Energy’s common stock, no par value, having an aggregate offering price of up to \$1,700,000,000 (including shares of common stock that may be sold pursuant to the forward sale agreements described below, the “Shares”) through December 3, 2027. The entry into the Equity Distribution Agreement follows the completion of sales under its prior \$1,000,000,000 at-the-market program and equity distribution agreement, dated May 8, 2024. Sales of the Shares, if any, will be made by means of ordinary brokers’ transactions through the facilities of the New York Stock Exchange at market prices, in block transactions or as otherwise agreed between Atmos Energy and the Managers. Under the terms of the Agreement, Atmos Energy may also sell Shares from time to time to a Manager as principal for its own account at a price to be agreed upon at the time of sale. The Agreement provides that each Manager, when it is acting as Atmos Energy’s sales agent, will be entitled to a commission of 1.00% of the gross offering proceeds of the Shares sold through such Manager. Atmos Energy has no obligation to offer or sell any Shares under the Agreement, and may at any time suspend offers and sales under the Agreement.

The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares by Atmos Energy to or through the Managers, Atmos Energy may enter into forward sale agreements under the master forward sale confirmations (the “Master Forward Sale Confirmations”) dated December 3, 2024, between Atmos Energy and each Forward Purchaser and the related supplemental confirmations to be entered into between Atmos Energy and the relevant Forward Purchaser. In connection with each such forward sale agreement, the relevant Forward Purchaser will, at Atmos Energy’s request, borrow from third parties and, through the relevant Manager, sell a number of Shares equal to the number of Shares underlying the particular forward sale agreement to hedge the forward sale agreement (each such Manager, when acting as agent for a Forward Purchaser, a “Forward Seller”).

Atmos Energy will not initially receive any proceeds from the sale of borrowed shares of Atmos Energy’s common stock by a Forward Seller. Atmos Energy expects to receive proceeds from the sale of Shares by a Forward Seller upon future physical settlement of the relevant forward sale agreement with the relevant Forward Purchaser on dates specified by Atmos Energy on or prior to the maturity date of the relevant forward sale agreement. If Atmos Energy elects to cash settle or net share settle a forward sale agreement, Atmos Energy may not (in the case of cash settlement) or will not (in the case of net share settlement) receive any proceeds, and Atmos

Energy may owe cash (in the case of cash settlement) or shares of common stock (in the case of net share settlement) to the relevant Forward Purchaser. In connection with each forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price payable by the relevant Forward Purchaser under its forward sale agreement, a commission of 1.00% of the volume weighted average of the sales prices of all borrowed shares of common stock sold during the applicable period by it as a Forward Seller.

During the three months ended December 31, 2024, we executed forward sales under our ATM equity sales program with various forward sellers who borrowed and sold 3,397,596 shares of our common stock at an aggregate price of \$476.0 million. During the three months ended December 31, 2024, we also settled forward sale agreements with respect to 3,300,904 shares that had been borrowed and sold by various forward sellers under the ATM program for net proceeds of \$379.5 million. As of December 31, 2024, \$1.2 billion of equity was available for issuance under our existing ATM program. Additionally, we had \$1.5 billion in available proceeds from outstanding forward sale agreements, as detailed below.

Maturity	Shares Available	Net Proceeds Available (In thousands)	Forward Price
June 30, 2025	630,514	\$ 73,312	\$ 116.27
September 30, 2025	815,655	96,179	\$ 117.92
December 31, 2025	2,344,567	297,079	\$ 126.71
March 31, 2026	3,627,033	462,383	\$ 127.48
June 30, 2026	669,043	88,951	\$ 132.95
December 31, 2026	3,300,000	457,866	\$ 138.75
Total	11,386,812	\$ 1,475,770	\$ 129.60

Atmos Energy intends to use the net proceeds received upon the issuance and sale of shares of Common Stock to fund capital spending primarily to enhance the safety and reliability of our system and for general corporate purposes.

Atmos Energy Corporation Forward Starting Interest Rate Swaps

We manage interest rate risk by periodically entering into financial instruments to effectively fix the Treasury yield component of the interest cost associated with anticipated financings. The following table summarizes our existing forward starting interest rate swaps as of December 31, 2024. These swaps were designated as cash flow hedges at the time the agreements were executed.

Planned Debt Issuance Date	Amount Hedged (In thousands)	Effective Interest Rate
Fiscal 2026	\$ 300,000	2.16 %
	<u>\$ 300,000</u>	

\$8B Shelf Registration

On December 3, 2024, we filed a shelf registration statement with the Securities and Exchange Commission (SEC) that allows us to issue up to \$8.0 billion in common stock and/or debt

securities, which expires December 3, 2027. At December 31, 2024, \$6.3 billion of securities were available for issuance under this shelf registration statement.

Please refer to the SEC website for confirmed copies of the registration statement and prospectus supplements to complete our filing requirements.

Atmos Energy Corporation

Handwritten signature consisting of the letters 'RR' in a cursive style.

Rebecca Reneau
Manager Treasury Services

Managers

BNP Paribas Securities Corp.
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BofA Securities, Inc.
One Bryant Park
New York, NY 10036

CIBC World Markets Corp.
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New York, NY 10019

Goldman Sachs & Co. LLC
200 West Street
New York, NY 10282

Huntington Securities, Inc.
41 South High Street
Columbus, Ohio 43215

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New York, NY, 10179

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New York, NY 10020

MUFG Securities Americas Inc.
1221 Avenue of the Americas, 6th Floor
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Charlotte, NC 28202

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Atlanta, GA 30326

TD Securities (USA) LLC
1 Vanderbilt Avenue
New York, NY 10017

Wells Fargo Securities, LLC
500 West 33rd Street, 14th Floor
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Forward Purchasers

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One Bryant Park, 8th Floor
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